

## Frostrow Capital

# End of Week Note

19<sup>th</sup> June 2026



Good afternoon investment trust professionals,

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## **1. Overview for the week**

A week for hope perhaps. Trump started it announcing that the US and Iran are in a position to sign an agreement, sending oil prices lower, reducing the cost of government borrowing and pushing stock markets to record highs. The deal was indeed signed, with no attacks on Hezbollah in Lebanon and tolls being charged in the SoH in 60 days' time as part of its text. Given the ongoing exchange of fire between Israel and Hezbollah, this ceasefire will no doubt be tested. There was also a G7 meeting in France to discuss this agreement as well as the Ukraine / Russia conflict.

As the Japanese equity market continued to fly (Nikkei 225 Index +8.2% this week), interest rates rose there by 25bps to 1%, a 31-year high, despite the recent fall in oil price and with core inflation falling to a four year low of 1.4% in April. The US Federal Reserve held rates between 3.5% and 3.75% in the first session for new Fed Chair, Kevin Warsh. The Bank of England also held interest rates steady at 3.75%, with two MPC members voting for a 25bps increase remaining concerned about inflationary pressures, negatively impacting equities. UK CPI was announced at 2.8% in May, unchanged from April's number, with a positive impact from a more benign food inflation. UK unemployment fell in the three months to April from 5% to 4.9% albeit employers have reduced the number of job vacancies. UK borrowing figures released for May show borrowing of £23.3bn, £5.6bn more than forecast by the OBR, pushing national debt to 95.1%. Also in the UK, Andy Burnham did indeed win the Makerfield by-election with likely significant ramifications for UK politics in the coming weeks. UK bond yields have started to rise accordingly.

The average investment trust sector discount (ex 3i Group) widened by 40bps to 11.6% (albeit one would note the likely significant impact of the SpaceX IPO on this figure this week). Workspace acknowledged receiving a letter from Saba Capital, as they also took control of Impax Environmental Markets. SDCL Efficiency Income, another Saba target, posted a circular to shareholders as it heads into wind down and suspends dividends. There was also an update on the Picton M&A deal, amongst a plethora of other news. At Frostrow, the CC Japan Income & Growth Trust HY results came out, highlighting the continued strong performance by the Chikara management team in Japan and excellent use of the closed ended structure. In addition, Worldwide Healthcare Trust announced good news on its holding uniQure, whilst Custodian Property Income REIT announced that its £8.5m portfolio acquisition from early March was performing in line with expectations.

Look (again) below at the weight of industry-wide corporate announcements, it is plain to see activity levels are high. Do not be short of investment trusts, for when the ratings tighten, they will move quicker than an England team post being fired up at a Tuchel half-time changing room speech.

**Forthcoming Frostrow events to note round the corner include:**

Edinburgh investor event on 2 September: The George Hotel, 19-21 George Street, Edinburgh EH2 2PB – invitation link below to register interest in attending

Dublin investor event, date tbc in October: invitation not out as yet (contact Frostrow IR to express interest)

**2. *Frostrow Professional Events***

**Aurora UK Alpha** (ARR LN, UK All Companies, £259.1m mkt capn, 11.8% discount to NAV): the Phoenix investment team are available for meetings with investors in 2026. The latest update from the management team, from 26 January 2026, is available to view here:

<https://www.youtube.com/watch?v=8BbZc9dgjB0>

**Biotech Growth Trust** (BIOG LN, Healthcare & Biotechnology, £263.4m mkt cap, 11.1% discount to NAV): Co-portfolio manager, Josh Golomb, provided an update for investors via Investor Meet Company on 10 March 2026:

<https://www.investormeetcompany.com/meetings/investor-presentation-1001>

**CC Japan Income & Growth Trust** (CCJI LN, Japan, £393.4m mkt capn, 4.5% discount to NAV): please contact Frostrow Capital in order to arrange a meeting with management in 2026. In addition, we note CCJI QuotedData In the Hot Seat interview to view here:

<https://www.youtube.com/live/eBmf8nisELM?si=O11Cr1IHSuQbv2A0>

An Investor Meet Company webinar took place on 18 March 2026. Do view it here:

<https://www.investormeetcompany.com/meetings/investor-presentation-1002>

**CQS Natural Resources Growth & Income** (CYN LN, Commodities & Natural Resources, £130.7m mkt capn, 8.0% discount to NAV): investor meetings available again post 14 September 2026

**Custodian Property Income REIT** (CREI LN, Property UK Commercial, £416.1m mkt capn, 12.0% discount to NAV): Richard Shepherd-Cross, lead manager, is available for meetings in 2026 (physical throughout UK, or zoom, as per preference). Richard also gives his most updated thoughts in the Investor Meet Company webinar which took place on 13 February 2026. You can view it here:

<https://www.investormeetcompany.com/meetings/investor-presentation-997>

**Ecofin Global Utilities & Infrastructure** (EGL LN, Infrastructure Securities, £250.7m mkt capn, 0.4% premium to NAV) : Jean-Hugues de laMaze, lead manager of the Trust conducted an Investor Meet Company webinar on 27 May 2026, and for those who missed it, you can access it here:

<https://www.investormeetcompany.com/meetings/investor-presentation-1038>

**Finsbury Growth & Income Trust** (FGT LN, UK Equity Income, £765.6m mkt capn, 7.2% discount to NAV): Frostrow highlight Nick Train's presentation at the Company's AGM on 15 January 2026, available to view here:

<https://www.youtube.com/watch?v=2zZXsxaL9xQ>

In addition, we highlight FGT Quoted Data In the Hot Seat interview here from 6 March 2026:

<https://quoteddata.com/events/in-the-hotseat-nick-train-finsbury-growth-income/>

There is a new opportunity to hear Nick Train update investors at a Frostrow webinar on 15 July 2026 at 11am. Click on the link to register:

**MIGO Opportunities Trust** (MIGO LN, Flexible Investment, £70.8m mkt capn, 3.7% discount to NAV): To watch the most recent update which took place on 24 March 2026 with Tom Treanor and Charlotte Cuthbertson, click here:

<https://www.investormeetcompany.com/meetings/investor-presentation-995>

**Temple Bar Investment Trust** (TMPL LN, UK Equity Income, £1,195.7m mkt capn, 1.1% premium to NAV): Read the latest quarterly Temple Bar IT newsletter here if your Bar is set high and your portfolio is your Temple:

<https://www.templebarinvestments.co.uk/media/insights/century-value-investing/>

An Investor Meet Company webinar took place on 11 March 2026 and is available to view on this link:

<https://www.investormeetcompany.com/meetings/investor-presentation-1008>

**Worldwide Healthcare Trust** (WWH LN, Healthcare & Biotechnology, £1,281.5m mkt capn, 7.4% discount to NAV): Trevor Polischuk's comments at the Winterflood's Annual conference were recorded here (January 2026):

[Trevor Polischuk, Worldwide Healthcare Trust - Innovation in Healthcare | Winterflood Conference 2026](#)

See below the link to the latest WWH webinar held on 28 April 2026:

[https://youtu.be/Ww5tw\\_uJaol?si=BIzi\\_r4vS7R1qt5l](https://youtu.be/Ww5tw_uJaol?si=BIzi_r4vS7R1qt5l)

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***Trump is doing his best to re-set the world geopolitical and trade order and in so doing will potentially re-set the investment landscape. Saba Capital have said they are “ready to buy billions more UK investment trusts [and they are] open to taking stakes in trusts that hold illiquid assets [now also]”. The UK Government have finally seen sense to allow their pension funds to invest in investment trusts to access a variety of assets such as infrastructure and private equity. Record ETF issuance continues, with now more active ETFs than passive and record open ended funds converting into ETFs also. Whether there is a “crack” in the bond market or not, the investment trust sector is here offering best in class active management from the world’s top fund managers in a variety of liquid and less liquid asset classes. It continues to represent one third of the FTSE 250 Index and half of the FTSE Small Cap Index. There are highly valuable actively managed listed fund vehicles using the structure appropriately available for savings and investment today, as there have been for the last 150 + years – despite Elon Musk’s views. They act as a strong complement to passive ETF holdings also.***

#### **DO NOT BE SHORT OF INVESTMENT TRUSTS**

Find us on the web: <https://www.frostrow.com/>

Find us on You Tube: <https://www.youtube.com/channel/UCAptpfmx0HITqvlI68psd7Q>

Check out our May 2026 summary podcast

here: <https://www.investormeetcompany.com/updates/frostrow-talks-trusts-may-2026-podcast/show>

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### **3. Further investment themes evident in the investment trust sector this week include:**

#### **Discount / Premium control**

A total of 325 corporate announcements from Tuesday this week on the LSE, of which 96 were in reference to share buybacks (29.5% of total). 7 referred to equity issuance.

**Yellow Cake (YCA LN, £1,380m mkt capn):** announced the initiation of a share buyback programme to purchase up to \$10m of the Company's shares over 60 calendar days due to the widening discount at which the Company's shares have traded relative to its underlying net asset value. "The Board continues to have confidence in the long-term fundamentals of the uranium market and believes the Company's physical uranium holdings provide shareholders with direct exposure to those fundamentals. The Company remains well capitalised, with a strong balance sheet and significant liquidity."

#### **Tender offer update**

**BlackRock Smaller Companies Trust (BRSC LN, UK Smaller Companies, £792.3m mkt capn, 12.5% discount to NAV):** the process of realising the assets held within the tender pool has been completed and the finally determined tender price is 1461.457567pps (calculated as realised value less costs of the tender). In addition, the Company announced that Dan Whitestone, Head of BlackRock's Emerging Companies Team, has decided to leave BlackRock to take some time away from the industry. Lead manager, Roland Arnold, will continue as sole manager of the portfolio and will also replace Dan as the Head of the BlackRock Emerging Companies team, and he will also continue to be supported by the wider team which comprises three portfolio managers

#### **Saba Capital update**

**Workspace Group (WKP LN, £667.6m mkt capn):** Saba Capital holding increased from 22.1% to 23.8%, and then again to 24.7%. Subsequent to that, the Board acknowledged that a letter has been sent by Saba Capital with an accompanying presentation. "The Company's full and considered response to the Letter and the Presentation will be separately communicated to shareholders in due course."

**SDCL Efficiency Income Trust (SEIT LN, Renewable Energy Infrastructure, £369.0m mkt capn, 61.8% discount to NAV):** Saba Capital holding increased from 20.0% to 21.6%, to 23.0%

**Impax Environmental Markets (IEM LN, Environmental, £184.0m mkt capn, 11.1% discount to NAV):** the Company is expecting to see the resolutions to appoint the four Saba nominees to the Board be approved by the requisite majority. The outgoing Board state that, Saba, a single minority shareholder has effectively taken control of the Company due to the peculiarities of the

UK regulatory regime and UK company law." Saba Capital subsequently put out an announcement stating that shareholders voted to elect all of Saba's independent nominees - Caroline Bault, Steven Grey, Jason Chen and Aaron Morris - to the Company's Board and to remove the incumbent directors. As disclosed by the Company, approximately 71% of votes cast were in favour of Saba's proposed director nominees.

**Molten Ventures (GROW LN, Growth Capital, £1,033.6m mkt capn, 21.8% discount to NAV):** Saba Capital holding still at 11.1%

**Gore Street Energy Storage Fund (GSF LN, Renewable Energy Infrastructure, £260.1m mkt capn, 40.5% discount to NAV):** Saba Capital holding increased from 14.0% to 15.1%

### **Capital allocation update**

**International Public Partnerships Limited update 1H 2026 to 12 June (INPP LN, Infrastructure, £2,501.8m mkt capn, 7.7% discount to NAV):** holds 130 infrastructure projects delivering essential services. The Company has continued with its capital allocation objectives including the sale of a 49% stake in Moray East OFTO at a premium to NAV realising £385m (c14% of the portfolio), over £26m of share buybacks with the £225m programme running until March 2027, £36m invested in Sizewell C and further realisations expected in 2H 2026. INPP has a project dividend target of 8.79pps for 2026, growing at c2.5%pa. "The Company reconfirms that it does not need to make additional investments to deliver current projected returns. The projected cash receipts from the existing portfolio are such that even if no further investments are made, the Company currently expects to be able to continue to meet its existing progressive dividend policy for at least the next 25 years."

### **Gearing update**

**The Renewables Infrastructure Group Limited (TRIG LN, Renewable Energy Infrastructure, £1,757.5m mkt capn, 27.8% discount to NAV):** announced the expected sale of the Company's entire 17.5% stake in the Beatrice offshore wind farm for circa £155m (a 4% discount to 31 December 2025 valuation). The proceeds are to be used to reduce the Company's revolving credit facility, drawn at circa £240m as at 31 March 2026. The disposal represents meaningful progress against the £400m capital realisation target. The Board's capital allocation policy remains to prioritise capital return to shareholders via share buybacks, reduce RCF borrowings and invest into higher returning proprietary internal opportunities. TRIG continues to progress its £150m share buyback programme, with £112m of the programme completed and £38m remaining as at 12 June 2026. 143m shares have been repurchased under the programme to date.

### **M&A update**

**LondonMetric Property (LMP LN, £4,240m mkt capn):** confirmed that the proposed offer from the consortium (of LondonMetric and Schroder Real Estate Investment Trust) has progressed confirmatory due diligence, which is advancing well and is finalising the relevant transaction documentation with a view to announcing a firm intention to make an offer pursuant to Rule 2.7 of the Code. As previously announced, under the terms of the Proposed Offer, Picton Shareholders would receive: 0.190 LondonMetric Shares and 0.881 SREIT Shares per Picton Share, with LondonMetric acquiring 46% of Picton property assets and Schroder Real Estate IT acquiring 54% of Picton property assets. TR Property have signed a letter of intent representing 11.4% of the voting rights of Picton shares. Canada Life and Aviva, as lenders, have expressed "willingness to provide a pre-emptive change of control waiver in respect of the £129.0 million Canada Life facility and £79.0 million Aviva facility respectively, subject to agreement, credit approval and finalisation of requisite documentation."

**Schroder Real Estate Investment Trust Limited (SREI LN, Property – UK Commercial, £225.7m mkt capn, 25.0% discount to NAV):** confirmed as above

**Alternative Income REIT (AIRE LN, Property – UK Commercial, £55.5m mkt capn, 18.1% discount to NAV):** the AIRE Board are considering the Glenstone Offer although they are "not currently in a position to recommend the Glenstone Offer to shareholders, with the principal [reason] being that Glenstone's Offer represents a 17% discount to AIRE's latest published NAV of 84.4pps as at 31 March 2026." The Glenstone Offer also assumes no dividends will be paid when target dividend for FY 30 June 2026 is 5.6pps, with target dividend therefore for a fourth quarterly dividend of 1.4pps. "The Independent Board has engaged constructively with Glenstone and might be prepared to provide further information in the event that a proposal that is capable of being recommended to shareholders is received from Glenstone. In the view of the Independent Board, the Glenstone Offer does not currently meet that threshold. As a result, AIRE shareholders are strongly advised to take no action in relation to the Glenstone Offer."

**PPHE Hotel Group (PPHE LN, £677.3m mkt capn):** since the Board received the indicative proposal from Fattal Hotel Group regarding a possible cash offer for the Company at £22 per share, it has consulted widely with 83% of the share register to seek feedback on the proposal. "Euro Plaza Holdings, which holds approximately 33% of the Company's issued share capital, has informed the Independent Committee that it is opposed to the Fattal Proposal. Fattal has recently informed the PPHE Board that it would not be prepared to proceed with the Fattal Proposal in circumstances where Euro Plaza Holdings is opposed to such an offer. Accordingly, the Independent Committee has concluded that the Fattal Proposal is not capable of being delivered in its current form. Subsequent to the Fattal Proposal, on 31 May 2026 the Company received an indicative proposal from another interested party. This interest is at a very preliminary stage and is currently being assessed. The Board of PPHE is mindful that the Strategic Review process has been a full and thorough process conducted over a period of more than 7 months and intends to conclude the process as expeditiously as possible. There can be no certainty that any offer for the Company will be made. A further announcement will be made as appropriate."

**Amedeo Air Four Plus Limited (AA4+ LN, Leasing, £185.5m mkt capn, 34.8% discount to NAV):** the Company announced that the Competition Department of the Ministry of Economy of the UAE has confirmed its approval of the recommended cash acquisition for the entire issued share capital of the Company by LAC 10. An application will be made to the LSE to cancel trading in AA4+ Shares on the Specialist Fund Segment of the Main Market with effect from 8.00 a.m. on 26 June 2026.

### **Proposed dual share class**

**Partners Group Private Equity Limited (PEY LN, Private Equity, £582.6m mkt capn, 27.6% discount to NAV):** announced a proposal to introduce a dual share class structure designed to provide shareholders with a choice between continued long-term participation in the Company's investment strategy (continuing ordinary shares) and/or a defined pathway to liquidity over time (realisation shares), with future liquidity events to be effected by reference to the prevailing net asset value ("NAV") at the time, less costs. Realisation shares are to be capped at 30% of the issued share capital. The Investment Manager has agreed to make a one-off contribution of up to €1.5 million towards the costs associated with the implementation of the proposed dual share class structure, which is expected to cover all of the professional fees to be incurred in connection with the proposal. It is anticipated that full details of this proposal will be set out in documentation to be published by the Company in Q3 2026.

### **Results / updates**

**JPMorgan India Growth & Income HY results to 31 March 2026 (JIGI LN, India / Indian Subcontinent, £380.7m mkt capn, 10.4% discount to NAV):** NAV TR £ -16.5% vs MSCI India Index £ -12.4%; share price TR -17.6%; "Underperformance was due in large part to the Company's focus on higher quality, small and mid-cap names, which have lagged cyclical value stocks over the past year. Our overweight to so-called 'AI losers' amongst IT companies and platform-based businesses also detracted from relative returns." The Board aims for the share price to not differ excessively from the underlying NAV under normal market conditions. 1.7% of share capital repurchased in the period with the Company also adopting a policy to target a single digit discount through active share buybacks. A first 100% triennial tender offer at NAV less 3% is expected in Q2 2028, with the Board retaining the right to withdraw if the tender would push NAV below £150m, in which case a wind up would be expected. The Company implemented an enhanced dividend policy of 4% of NAV in 2025 with four equal interim dividends

**US Solar Fund Q1 31 March 2026 update (USF LN, Renewable Energy Infrastructure, £112.4m mkt capn, 41.3% discount to NAV):** NAV +2.0%; generation was 8.8% below long-term forecasts; As anticipated, overall performance continued to be impacted by lead time on parts and technical support as well as utility grid outages although to a lesser extent than the prior 12-month period. "As noted in the RNS dated 18 May 2026, USF announced that it had granted a prospective buyer a 90-day exclusivity period following the receipt of a revised non-

binding letter of intent in respect of the proposed acquisition of USF's entire portfolio of solar generation assets"

**CC Japan Income & Growth Trust HY results to 30 April 2026 (CCJI LN, Japan, £393.4m mkt capn, 4.5% discount to NAV):** NAV TR +14.7% vs TOPIX Index +7.7%; share price TR +11.5%; "The Company's strong returns were supported by the continued strength of the global AI related theme, which has underpinned equity markets in Asia and elsewhere. The popularity of Prime Minister Takaichi and growing confidence in her economic strategy, a rising recognition that the yen appears undervalued and ongoing improvements in corporate governance have further strengthened investor interest in Japan. This builds on the very strong performance generated over longer timeframes. Over the last three and five years, the Company's cumulative NAV total returns have been +78.2% and +101.23% respectively, well ahead of the TOPIX Index which has returned +55.0% and +57.9% over the same periods." The Company pays a progressive dividend to shareholders, although it does not target a specific yield. The Board aims to increase dividend payments annually (achieved since IPO) . Net revenue in the first half of the year was 3.15pps (+25% 2025), declaring a first interim dividend of 1.75pps (+6.1% 2025). Structurally geared at 20% of shareholders' funds. The Board expects Japanese equities to deliver positive returns over the long term supported by favourable underlying fundamentals and continued progress in corporate governance and improving capital efficiency. (Frostrow client)

**Odyssean Investment Trust FY results to 31 March 2026 (OIT LN, UK Smaller Companies, £290.6m mkt capn, 2.6% discount to NAV):** NAV TR 25.0% vs NSCI ex IT plus AIM TR Index +11.0%; share price TR +28.3%; "UK equities, performed surprisingly well over the period. Returns were driven by financial services and resource companies. Unusually, large cap UK equities outperformed small and mid-cap UK equities by some margin." Concentration of the portfolio and allocation to more cyclical industrial companies started to benefit performance in part at least due to UK investors preferring UK companies to have international rather than domestic sales and earnings. The Company issued 6.1m shares at a premium to NAV

**Personal Assets Trust FY results to 30 April 2026 (PNL LN, Flexible Investment, £1,657.8m mkt capn, 0.8% discount to NAV):** NAV TR +6.3% vs FTSE All Share Index TR +25.2% and CPI +2.8%; share price TR +6.2%; the Company bought back 10.4m shares into treasury and issued 5.3m shares from treasury, for a net outflow of £25m. The Company's shares continue to closely track the NAV. "The Company aims to pay as consistent and sustainable a dividend as is compatible with protecting and increasing the value of its shareholders' funds and maintaining its investment flexibility. The Board remains committed to paying an annual dividend of 5.60p per share in line with this policy." A revised management fee structure has been agreed from 1 May 2026 reducing the fees paid on shareholder funds over £1.5bn from 0.45% to 0.35%, with an OCR of 0.67%

**Aberdeen New India Investment Trust FY results to 31 March 2026 (ANII LN, India / Indian Subcontinent, £311.0m mkt capn, 10.6% discount to NAV):** NAV TR -20.3% vs MSCI India Index £ -13.9%; share price TR -15.3%; the 13.4% decline of the rupee against the pound had a big impact. In addition, for India, a net importer of crude oil and liquified natural gas, the

closure of the Strait of Hormuz presented a significant challenge. In the four years to 31 March 2026, NAV TR is +7.4% vs 9.6% for the benchmark, with a 25% realisation opportunity if NAV TR underperforms the benchmark for the five years to 31 March 2027. The Company bought back 3.9m shares enhancing NAV by 0.7%. Net gearing of 1.5% (3.9% 2025). There was a revision to the investment policy in the year such that the investment manager can "better reflect their conviction in certain portfolio holdings, thereby improving portfolio construction to enhance the long-term returns of your Company".

**Foresight Environmental Infrastructure Limited FY results to 31 March 2026 (FGEN LN, Renewable Energy Infrastructure, £522.4m mkt capn, 20.1% discount to NAV):** the objective remains to deliver an 8-10% NAV TR pa, to be achieved organically and without reliance on equity fundraising. NAV TR +6.2%; FY dividend target of 7.96pps was met, with 2027 dividend target of 8.04pps (+1.0%); the Board is focused on a progressive dividend strategy whilst maintaining healthy cover of 1.25x; net gearing of 28.8% (28.7% 2025); Growth assets represent 18% of the portfolio

**Cordiant Digital Infrastructure Limited FY results to 31 March 2026 (CORD LN, Infrastructure, £957.1m mkt capn, 11.3% discount to NAV):** NAV TR +16.3%; share price TR +24.6%; EBITDA +7.8%; total dividends of 4.45pps (+2.3% 2025); dividend cover 1.7x (1.7x 2025); LTV of 40.1% (40.3% 2025); the Company will become a FTSE 250 Index member on 22 June 2026; management and the Board now own 2.3% of share capital; management fees represent 0.68% of market capitalisation; "The Company and its portfolio companies remain well positioned to benefit from structural growth in demand for digital infrastructure, driven by increasing data consumption, cloud adoption and the development of AI."

**JPMorgan European Discovery Trust FY results to 31 March 2026 (JEDT LN, European Smaller Companies, £599.3m mkt capn, 8.0% discount to NAV):** NAV TR +23.2% vs MSCI Europe (ex UK) Small Cap Net TR Index £ +17.5%; share price TR +21.0%; revenue per share of 18.18p (12.36p 2025); dividend per share 16.0p (13p 2025); 19.5m shares repurchased. Pleasing to see enhancements made by the manager, in conjunction with the Board, " over the last 18-24 months has resulted in significantly improving performance over that period". Gearing of 4.0%

**Utilico Emerging Markets Trust FY results to 31 March 2026 (UEM LN, Global Emerging Markets, £496.7m mkt capn, 10.1% discount to NAV):** NAV TR +25.9% vs MSCI EM Index +26.8%; share price TR +30.2%; entered the FTSE 250 Index in December 2025; "Given the portfolio's underexposure to direct Artificial Intelligence ("AI") and technology investments particularly within Asia, a sector that has seen significant euphoria this year, this serves as a compelling endorsement of UEM's highly differentiated benchmark agnostic emerging markets portfolio." 97% of shareholders voted for continuation of the vehicle in September 2025; EPS 13.57p (+36.4% 2025); dividend per share 9.585p (+5.0% 2025), paid over four quarters; OCR 1.4% (1.5% 2025). Net gearing of 1.4% (2.8% 2025). 1.5% of portfolio in unlisted investments (2.7% 2025)

### **Wind down / asset realization news**

**SDCL Energy Efficiency Income Trust (SEIT LN, Renewable Energy Infrastructure, £369.0m mkt capn, 61.8% discount to NAV):** published a circular in regard to a wind down having had clear feedback from the major shareholders in favour of an orderly return of capital. "If approved, the Company will cease making new investments outside the existing portfolio and will focus on the orderly realisation of its assets, seeking to balance timely returns of cash to Shareholders with the objective of maximising value. The Board intends to use net proceeds of asset realisations first to repay borrowings and then to make returns of cash to Shareholders at appropriate intervals, using the mechanism or combination of mechanisms it considers most appropriate. The Board has decided not to declare a fourth interim dividend for the year ending 31 March 2026 and, in light of the proposed Wind-Down, will prioritise preserving value and reducing debt ahead of future returns of cash to Shareholders. Interim dividends will be suspended (other than as necessary to maintain Investment Trust Status) however once the RCF has been significantly reduced the Board will reconsider its position on paying interim dividends if circumstances allow." General meeting to be held on 10 July 2026. The Board recommends that Shareholders vote in favour of all of the Resolutions to be proposed at the General Meeting.

**Residential Secure Income (RESI LN, Property – UK Residential, £99.9m mkt capn, 36.9% discount to NAV):** has entered into a conditional sale of its senior living assets for £108.3m to be funded via a combination of cash and shares (£45m cash, £30m debt, £62.3m in new shares issued at 94.23pps (31 December 2025 EPRA NAV) and £1m of deferred payment. The Company has received written support for the deal from 21.1% of share capital. The Company subsequently published a circular in regard to its announced conditional strategic sale of its senior living portfolio.

### **Asset purchase / disposal / portfolio news**

**Caledonia Investments (CLDN LN, Flexible Investment, £1,850.4m mkt capn, 39.5% discount to NAV):** has agreed to invest approximately £60m in Blue Diamond Limited, a leading garden centre operator, which will lead to a holding of 16% of the holding. "Caledonia and Blue Diamond have also agreed a framework to make up to £40 million of additional follow-on capital available to Blue Diamond over the next five years, subject to agreed conditions. This additional capital is intended to support Blue Diamond's acquisition programme, investment in the existing garden centre estate and facilitate shareholder liquidity."

**Social Housing REIT (SOHO LN, Property – UK Residential, £300.3m mkt capn, 29.2% discount to NAV):** has entered into a conditional agreement to purchase Residential Secure Income's portfolio of senior living assets for £108.3m to be funded via a combination of cash and shares (£45m cash, £30m debt, £62.3m in new shares issued at 94.23pps (31 December 2025 EPRA NAV) and £1m of deferred payment. "The Acquisition is outside the scope of the Company's existing investment objective and investment policy and is therefore conditional upon Shareholder approval of a new investment objective and investment policy." The Board

sees this step as a natural evolution though with shared characteristics of inflation-aligned rental structures, long duration occupancy dynamics, structural needs-driven demand and the capacity to deliver positive, measurable social outcomes for residents and communities. Post acquisition LTV is expected to be c45% with the Company intending to reduce its leverage to its target of 40% over the medium term. The Company subsequently published a circular in relation to its proposed acquisition of a senior living portfolio and changes to the investment objective and policy.

**Tritax Big Box REIT (BBOX LN, Property – UK Logistics, £4,123.4m mkt capn, 16.6% discount to NAV):** has entered into a development management agreement with Tritax Management LLP to deliver a 125MW data centre scheme at Chelmsford, Essex - the second in its data centre pipeline. Tritax Management has been appointed to provide development management and technical services, including pursuing planning, overseeing construction, pre-letting services, technical electrical expertise and managing the technical aspects of the scheme and all power-related elements. Tritax Management will receive a payment of c.£3.3m in respect of project assembly services to date at the Chelmsford scheme; a development management fee of up to 5% of the development cost of the scheme, contingent upon receiving planning consent; and a profit share of 17.5% of the total development profits, contingent upon full delivery of a practically completed and let data centre. 50% of the Manager's profit share payment will be applied to the subscription or acquisition of shares in the Company. The targeted yield on cost for the scheme of 10-11% includes these payments.

**3i Infrastructure (3iN LN, Infrastructure, £3,426.5m mkt capn, 7.4% discount to NAV):** the Company announced that it has completed the sale of its stake in TCR, the largest independent lessor of airport ground support equipment. 3iN received proceeds of €1,129m, with completion of the transaction slightly earlier than expected following receipt of all necessary regulatory approvals. These proceeds are being used to repay the Company's Revolving Credit Facility in full

**Regional REIT Limited (RGL LN, Property – UK Commercial, £150.1m mkt capn, 53.0% discount to NAV):** completed two new leases at previously vacant office space to a specialist electronics manufacturer at One and Two Newstead Court, Nottingham. The occupier has taken a 20-year lease at a headline rent of £1.075m pa with five- yearly RPI rent reviews and breaks at 10 and 15 years. The offices have been rented in an unrefurbished condition, with the tenant undertaking substantial improvement works at a cost in the region of £5m. The landlord's holding/void costs associated with the two properties were approximately £700,000 pa.

**Worldwide Healthcare Trust (WWH LN, Healthcare & Biotechnology, £1,281.5m mkt capn, 7.4% discount to NAV):** holding uniQure NV, representing 1.1% of NAV, announced that during a recent Type B meeting with the U.S. FDA, the FDA communicated that the 3-year analysis from the Phase I/II study would be acceptable as the primary basis of a Biologics License Application for the accelerated approval of AMT-130 in Huntington's disease. This marks an important shift for the FDA, creating a pathway for a near-term regulatory filing that was otherwise not available

under previous leadership of the FDA. Given the subsequent share price appreciation of 78.4% on the day of the announcement, the holding represents now 1.9% of NAV. (Frostrow client).

**Custodian Property Income REIT (CREI LN, Property – UK Commercial, £416.1m mkt capn, 12.0% discount to NAV):** the £8.5m Scorpion portfolio, post-acquisition as announced in early March 2026, has performed in line with expectations with occupancy remaining at 100% with the 31 March 2026 valuation 3.6% ahead of the purchase price. During June 2026, the Company sold the Scorpion Portfolio's Coventry asset as it was considered non-core due to its size. Sales proceeds were £0.4m, in line with valuation, and £0.1m ahead of the allocated purchase price. (Frostrow client).

### ***Dispute news***

**Aquila European Renewables (AER LN, Renewable Energy Infrastructure, £60.1m mkt capn, 64.4% discount to NAV):** Aquila Capital has refused the Board request to forbear £160,000 in investment advisory fees, following the breakdown in discussions regarding Aquila's proposal to acquire part of the Company's portfolio. Aquila Capital have stated that "the independent due diligence process undertaken by the Transaction Team led to findings in relation to overall market conditions and certain asset-specific findings, particularly in Spain and Portugal" and the Board cannot accept this position. The Board are therefore writing to Aquila Capital to request further confirmations. "Should Aquila Capital decline to provide these confirmations, or qualify them in any material respect, the Board will draw the necessary inference that Aquila Capital withheld information material to the Company's valuation, in breach of its duties as investment adviser. The Board will act accordingly and will make any such refusal or qualification public."

### ***Manager alignment***

**AVI Japan Opportunities Trust (AJOT LN, Japanese Smaller Companies, £356.9m mkt capn, 1.4% discount to NAV):** investment manager AVI announced the purchase of another 150k shares in connection with its commitment to invest at least 25% of its investment management fee into AJOT shares, taking the AVI holding to 1.525m shares

**Artemis UK Future Leaders (AFL LN, UK Smaller Companies, £102.3m mkt capn, 13.0% discount to NAV):** William Tamworth, a portfolio manager of the Company, purchased an additional 3,500 ordinary shares to now hold 424,500 (including indirect holdings), representing 1.4% of share capital

### ***Share sub-division***

**BlackRock Smaller Companies Trust (BRSC LN, UK Smaller Companies, £792.3m mkt capn, 12.5% discount to NAV):** the Company confirmed that it will implement a five for one share sub-division to become effective on 1 July 2026

#### 4. Sector data this week (AIC data, as at Thursday's close)

Sector Name	Simple average discount	Highest Discount	Highest discount name	Narrowest (discount) / premium	Narrowest discount name	Simple average discount last week	Narrowed / (Widened)
Asia	-8.78%	-10.56%	Pacific Horizon Investment Trust	-5.92%	Schroder Asia Total Return	-7.51%	-1.27%
China	-8.94%	-10.96%	JPMorgan China Growth & Income	-6.72%	Fidelity China Special Situations	-9.64%	0.70%
Commodities	-17.15%	-53.68%	Riverstone Energy	-0.40%	BlackRock World Mining Trust	-18.44%	1.29%
Europe	-5.49%	-9.93%	BlackRock Greater Europe	-0.64%	JPMorgan European Growth & Income	-4.87%	-0.62%
European Smaller	-8.02%	-8.06%	The European Smaller Companies Trust	-7.99%	JPMorgan European Discovery	-7.58%	-0.44%
Flexible	-20.87%	-68.71%	Tetragon Financial	-0.35%	Capital Gearing Trust	-20.65%	-0.22%
Global Emerging Markets*	-7.68%	-14.07%	Mobius Investment Trust	-0.66%	BlackRock Frontiers Investment Trust	-6.88%	-0.80%
Global Equity	-8.11%	-16.85%	Lindsell Train Investment Trust	-2.62%	Mid Wynd Investment Trust	-7.45%	-0.66%
Global Equity Income	-1.47%	-6.96%	Scottish American	1.55%	Murray International Trust	-2.20%	0.73%
Growth Capital	-19.73%	-42.67%	Chrysalis Investments	12.14%	Seraphim Space Investment Trust	-16.46%	-3.27%
Healthcare & Biotechnology	-12.67%	-41.45%	Syncona Limited	0.80%	Polar Capital Global Healthcare	-12.95%	0.28%
India	-8.46%	-10.64%	abrdn New India Investment Trust	-3.01%	Ashoka India Equity Investment Trust	-8.74%	0.28%
Infrastructure	-16.49%	-50.54%	DGI9 Infrastructure	-7.42%	3i Infrastructure	-17.91%	1.42%
Japan	-6.54%	-9.27%	Baillie Gifford Japan Trust	-4.55%	CC Japan Income & Growth	-7.41%	0.87%
Japan Smaller	-3.26%	-8.15%	Baillie Gifford Shin Nippon	-0.21%	Nippon Active Value Fund	-4.60%	1.34%
North America	-14.58%	-40.60%	Canadian General Investments	0.81%	BlackRock American Income Trust	-14.91%	0.33%
North America Smaller	-9.94%	-11.11%	JPMorgan US Smaller Companies	-8.76%	Brown Advisory US Smaller Companies	-10.48%	0.54%
Private Equity	-29.97%	-55.65%	Symphony International Holdings	-7.46%	JPEL Private Equity	-30.93%	0.96%
Renewables	-34.59%	-64.43%	Aquila European Renewables	-14.01%	Bluefield Solar Income Fund	-34.06%	-0.53%
Technology	-13.17%	-21.75%	Manchester & London	-8.68%	Polar Capital Technology Trust	-13.51%	0.34%
UK All Companies	-7.26%	-11.77%	Aurora UK Alpha	-0.15%	Fidelity Special Values	-6.94%	-0.32%
UK Commercial Property	-23.41%	-53.04%	Regional REIT	-1.60%	AEW UK REIT	-24.56%	1.15%
UK Equity Income	-4.21%	-10.34%	BlackRock Income & Growth IT	2.60%	Law Debenture Corporation	-4.04%	-0.17%
UK Smaller	-12.12%	-45.51%	Marwyn Value Investors	0.89%	Onward Opportunities	-12.75%	0.63%

\* excludes JPMorgan EEMEA from figures

#### **Equity Capital Markets / Investor demand**

n/a

#### **Ex Dividend**

BGCG 2.5pps, NAVF 5.52pps, III 48pps, BRWM 5.5pps, NRR 3.6pps, BERI 1.65pps, BEMO 6.5pps, FCSS 9pps, BSV 2pps, SMIF 0.5pps

Could be all 'hot' next week – weather, politics, markets and football.

Enjoy,

Neil

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